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T-480 P.24/30 F-611

JAN 04 2007

Application No.: 09/886,916
Attorney Docket No.: 72167.000305REMARKS

Claims 1-88 are pending in this application. By this amendment, claims 1, 43, 61, and 75 are amended, and claim 88 is added.

Reconsideration and allowance in view of the following remarks are respectfully requested. No new matter has been added by this amendment. Support for the amendments to the claims may be found, for example, in paragraphs 0050, 0061-0063, 0120, 0121.

As described herein, various features are hereby added to the claims to further distinguish the claimed invention from the applied art. Such features are variously set forth in the claims above.

A. The 35 U.S.C. 102 Rejection

In the Office Action, claims 1-12, 14, 16, 19-21, 23, 24, 26, 27, 29-45, 47-59, and 61-86 are rejected under 35 U.S.C. 102(e) as being anticipated by Levchin et al., U.S. Patent No. 7,089,208. Further, on page 7, the Office Action rejects claims 13, 17, 18, 28, and 46 are rejected under 35 U.S.C. 103(a) as being unpatentable over Levchin. Applicant respectfully traverses these rejections.

With reference to claim 1, the Office Action asserts that Levchin discloses a system and method for electronically exchanging value among distributed users, comprising an account system operated by a first institution, the account system maintaining electronic payment accounts for a plurality of customers of a first bank, at least one of the plurality of customers having a demand deposit account at the first bank (column 8 lines 38-47, column 12 lines 5-19); a bank interface coupled to the at least one account system and coupled to the first bank, the bank interface transmitting and receiving financial information related to the demand deposit account of the at least one customer related to the electronic payment account of the at least one

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customer (figures 1, 3, and column 8 lines 38-47); and a customer interface couple to the at least one account system, the customer interface providing an interface for the plurality of customers to the at least one account system, the customer interface accepting a command from a first customer to transfer funds from the first customer's electronic payment account to an electronic payment account of another customer, the customer interface transferring the command to at least one account system which effectuates the commanded transfer (figure 3, column 9 lines 4-19).

Applicant respectfully submits that the claimed invention, as set forth in amended claim 1, is fundamentally different than the teachings of Levchin.

As described in the Abstract, Levchin is directed to a system and method for facilitating a value exchange transaction. Levchin describes that a first party initiates the transaction by selecting or providing an identifier of another party and the value to be exchanged. The second party may be identified by a pre-existing identifier such as an electronic mail address, telephone number, etc. The system informs the second party of the transaction (e.g., using the specified pre-existing identifier).

The various features of amended claim 1 are set forth above. Claim 1 is directed to a system for effectuating electronic payments. In particular, amended claim 1 recites a customer interface coupled to the at least one account system, the customer interface providing an interface for the plurality of customers to the at least one account system, the customer interface accepting a command from a first customer to transfer funds from the first customer's electronic payment account to an electronic payment account of another customer, the customer interface transferring the command to the at least one account system which effectuates the commanded

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transfer of funds, such effectuating of the commanded transfer of funds including a pushing of funds to the electronic payment account of the another customer.

Accordingly, claim 1 has been amended to recite that the effectuating of the commanded transfer of funds including a pushing of funds to the electronic payment account of the another customer. Applicant submits that such features, relating to the pushing of funds, clearly distinguishes the features of claim 1 from Levchin.

For example, Applicant notes the teachings of Levchin in column 2, lines 12-44. Therein, Levchin describes when the system of Levchin receives a new transaction initiated by a user it attempts to contact the other party or parties using the identifier(s) provided by the initiating user. If another party is a registered user, the system may also know other methods of contacting the party. For a party who is not already a user, he or she is invited to connect to the system, register and complete the transaction.

Levchin then describes that virtually any means of value transfer may be associated with the system. Users may introduce value into their system accounts via credit card, check, cash, electronic funds transfer, direct deposit, etc. Value may be withdrawn from the system using the same or similar processes. The value that is exchanged between transaction parties may be monetary (e.g., represented by United States dollars or other currency) or have some other form, such as credits, affinity points, frequent flier miles, vouchers, barter points, etc. Applicant submits that such teachings of Levchin fail to disclose the features of claim 1 relating to the "pushing of funds to the electronic payment account of the another customer."

Further, Applicant notes Levchin at column 8, as referenced in the Office Action. Levchin describes that illustratively, in a direct transfer the parties may exchange cryptographic tokens in order to prevent later repudiation and authenticate the transaction to the system, and,

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once the system is informed of the transaction by at least one party, the transaction can be closed. In an indirect transfer the system may contact another party (e.g., by electronic mail or telephone) on behalf of an initiating user and, if the party is not already registered, invite that party to register with the system in order to receive and/or conduct their own transfers or exchanges. In one embodiment of the invention the invited party may, of course, be able to satisfy his or her part of the transaction (e.g., receive or pay money or other value) without registering with the system. For example, he may send payment to or receive payment from the system in a traditional form (e.g., check, credit card, debit card). Thus, Applicant notes that Levchin contemplates traditional forms of payment.

Further, in column 10, lines 57-65, Levchin describes the system server (e.g., synchronization server 106) receives the details of the USER1/USER2 transaction (e.g., including an identifier of USER2 and the value to be transferred). Levchin teaches if the value exchange is from USER1 to USER2, USER1's account may be automatically debited by the amount of the transfer; this may require a charge to a credit card or bank account associated with USER1. Levchin describes account updates may be postponed until a later stage of the procedure. Such teachings of Levchin further reflect traditional forms of payment.

In short, Applicant submits that Levchin is fully different from, and fails to teach or suggest the claimed invention as recited in claim 1. Claim 1 recites the customer interface coupled to the at least one account system, the customer interface providing an interface for the plurality of customers to the at least one account system, the customer interface accepting a command from a first customer to transfer funds from the first customer's electronic payment account to an electronic payment account of another customer, the customer interface transferring the command to the at least one account system which effectuates the commanded

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transfer of funds, such effectuating of the commanded transfer of funds including a pushing of funds to the electronic payment account of the another customer. Levchin fails to teach such features. Rather, for example, Levchin utilizes traditional payment processing (as described above) and fails to teach the pushing of funds to the electronic payment account of the another customer, as recited in claim 1. That is, Applicant submits that the claimed invention reflects a particular interrelationship between the customer interface, i.e., what the customer can effect, vis-à-vis the particular manner in which funds are transferred to the another customer's electronic payment account, i.e., via pushing of the funds. Levchin fails to teach or suggest such particular interrelationship.

Applicant respectfully submits that Levchin, for the reasons as set forth above, fails to teach or suggest each and every feature as recited in claim 1. It is respectfully submitted that claim 1 is allowable at least for the reasons set forth above. Further, independent claims 43, 61, and 75 are recite patentable subject matter at least for reasons similar to those set forth above with respect to claim 1.

The dependent claims recite patentable subject matter based on their dependencies on the respective independent claims, as well as for the additional features such dependent claims recite.

Withdrawal of the 35 U.S.C. §§102 and 103 rejections are respectfully requested.

B. The 35 U.S.C. 103 Rejection Based on Levchin and Drummond

In the Office Action, claims 15, 22, and 25 are rejected under 35 U.S.C. 103(a) as being unpatentable over Levchin, as applied above, and further in view of Drummond et al., U.S. Patent No. 7,080,036.

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The Office Action asserts that Levchin fails to teach an interface configured such that when any of the customers of the plurality of additional banks access their respective account system, it appears that the customer's respective bank is operating the system. The Office Action then proposes to cure this noted deficiency with the teachings of Drummond.

That is, the Office Action asserts that Drummond teaches an automated banking machine development method, wherein a non-bank-specific banking interface is developed by an entity independent of the entity with which a customer holds an account, and wherein the customer is provided with interface outputs which suggests that the machine is one operated by the customer's particular bank or entity with whom they have an account relationship (column 14 lines 23-34). The Office Action asserts that it would have been obvious to one of ordinary skill in the art at the time of the Applicant's invention to modify the teachings of Levchin to include transparency of the independent entity as described above because it is desirable to provide a customer with a familiar environment, including their bank's branding in order to build customer relationship and brand image.

Applicant submits that even if it were obvious to modify Levchin by Drummond, as proposed in the Office Action (which Applicant does not admit is obvious) such modification of Levchin would still fail to cure the deficiencies of Levchin vis-à-vis the independent claims, as discussed above.

Accordingly, with withdrawal of the rejection under 35 U.S.C. 103 based on Levchin and Drummond is respectfully requested.

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C. Conclusion

For at least the reasons outlined above, Applicant respectfully asserts that the application is in condition for allowance. Favorable reconsideration and allowance of the claims are respectfully solicited.

For any fees due in connection with filing this Response the Commissioner is hereby authorized to charge the undersigned's Deposit Account No. 50-0206.

Should the Examiner believe anything further is desirable in order to place the application in even better condition for allowance, the Examiner is invited to contact Applicant's undersigned representative at the telephone number listed below.

Respectfully submitted,

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Dated: January 4, 2007

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